

AMENDED IN SENATE JUNE 1, 2010  
AMENDED IN SENATE APRIL 27, 2010  
AMENDED IN SENATE APRIL 13, 2010  
AMENDED IN SENATE MARCH 25, 2010

**SENATE BILL**

**No. 1414**

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**Introduced by Senator Kehoe**

February 19, 2010

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An act to amend ~~Sections 321.6 and~~ *Section 321.6 of, and to amend, repeal, and add Section 1733 of, the Public Utilities Code, relating to the Public Utilities Commission.*

LEGISLATIVE COUNSEL'S DIGEST

SB 1414, as amended, Kehoe. Public Utilities Commission: procedures: rehearings.

(1) Under existing law, the Public Utilities Commission (CPUC) has regulatory authority over public utilities and can establish its own procedures, subject to statutory limitations or directions and constitutional requirements of due process. Existing law authorizes any party to an action or proceeding, or any stockholder or bondholder or other party pecuniarily interested in the public utility affected by an order or decision of the CPUC, to apply for a rehearing with respect to any matter determined in the action or proceeding and specified in the application for rehearing. Existing law prohibits a cause of action arising out of any order or decision of the CPUC from accruing in a court to a corporation or person unless the corporation or person has filed an application to the CPUC for a rehearing within a specified amount of time after the date of issuance of the order or decision.

Existing law provides that any application for a rehearing made 10 days or more before the effective date of a CPUC order as to which a rehearing is sought, shall be either granted or denied before the effective date of the order, or the order is suspended until the application is granted or denied. Existing law provides that, absent a further order of the CPUC, the suspension ceases after 60 days, the order becomes effective, and the party making the application is authorized to take the application as having been denied.

This bill, for an application for rehearing made 10 days or more before the effective date of the CPUC order as to which a rehearing is sought, would delete the provision that the suspension ceases after 60 days if the application is not granted or denied before its effective date, thereby indefinitely suspending the effective date of the order until the CPUC either grants or denies the application.

(2) Existing law provides that if the application for rehearing is made less than 10 days before the effective date of the order as to which a rehearing is sought, and the application is not granted within 60 days, the party making the application is authorized to take the application as having been denied, unless the effective date of the order is extended for the period of the pendency of the application.

This bill would require that, *beginning January 1, 2011*, an application for rehearing made less than 10 days before the effective date of the CPUC order as to which a rehearing is sought, be acted upon within ~~120~~ 180 days. *The bill would authorize the commission, by order, to extend the period for acting upon the application for rehearing, but would prohibit any single order from extending that period for more than 60 days.* The bill would provide that if the application is not acted upon within ~~120 days~~ *one year after the date the application was filed*, the application is ~~deemed to be~~ denied by operation of law *regardless of any order extending the period for acting upon the application for rehearing.*

(3) Existing law requires the CPUC to submit an annual report on the number of cases where resolution exceeded the time periods prescribed in scoping memos and the days that commissioners presided in hearings.

This bill would additionally require the CPUC to include data on the disposition of applications for ~~rehearings~~ *rehearing* in that report.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 321.6 of the Public Utilities Code is  
2 amended to read:

3     321.6. The commission shall do all of the following:

4     (a) Develop, publish, and annually update an annual work plan  
5 that describes in clear detail the scheduled ratemaking proceedings  
6 and other decisions that may be considered by the commission  
7 during the calendar year. The plan shall include, but is not limited  
8 to, information on how members of the public and ratepayers can  
9 gain access to the commission's ratemaking process and  
10 information regarding the specific matters to be decided. The plan  
11 shall also include information on the operation of the office of the  
12 public advisor and identify the names and telephone numbers of  
13 those contact persons responsible for specific cases and matters  
14 to be decided. The plan shall also include a statement that specifies  
15 activities that the commission proposes to reduce the costs of, and  
16 rates for, energy, including electricity, and for improving the  
17 competitive opportunities for state agriculture and other rural  
18 energy consumers. The commission shall post the plan under the  
19 Official Documents area of its Internet Web site and shall develop  
20 a program to disseminate the information in the plan utilizing  
21 computer mailing lists to provide regular updates on the  
22 information to those members of the public and organizations  
23 which request that information.

24     (b) Produce a complete accounting of its transactions and  
25 proceedings for the preceding year, together with other facts,  
26 suggestions, and recommendations that it deems of value to the  
27 people of the state and a statement that specifies the activities and  
28 achievements of the commission in reducing the costs of, and rates  
29 for, energy, including electricity, for state agriculture and other  
30 rural energy consumers.

31     (c) Create a report on the number of cases where resolution  
32 exceeded the time periods prescribed in scoping memos, data on  
33 the disposition of applications for rehearing, and the days that  
34 commissioners presided in hearings.

35     (d) Submit annually the plan, accounting, and report required  
36 by subdivisions (a), (b), and (c) to the Governor and Legislature  
37 no later than February 1 of each year.

1     ~~SEC. 2. Section 1733 of the Public Utilities Code is amended~~  
2     ~~to read:~~

3     ~~1733. (a) Any application for a rehearing made 10 days or~~  
4     ~~more before the effective date of the order as to which a rehearing~~  
5     ~~is sought, shall be either granted or denied before the effective~~  
6     ~~date, or the order shall be suspended until the application is granted~~  
7     ~~or denied.~~

8     ~~(b) Any application for a rehearing made within less than 10~~  
9     ~~days before the effective date of the order as to which a rehearing~~  
10    ~~is sought shall be acted upon within 120 days. If the application~~  
11    ~~is not acted upon within 120 days, the application shall be deemed~~  
12    ~~denied by operation of law.~~

13    ~~SEC. 2. Section 1733 of the Public Utilities Code is amended~~  
14    ~~to read:~~

15    1733. (a) Any application for a rehearing made 10 days or  
16    more before the effective date of the order as to which a rehearing  
17    is sought, shall be either granted or denied before the effective  
18    date, or the order shall stand suspended until the application is  
19    granted or denied; but, absent further order of the commission the  
20    order shall not stand so suspended for more than 60 days after the  
21    date of filing of the application, at which time the suspension shall  
22    lapse, the order shall become effective, and the application may  
23    be taken by the party making it to be denied.

24    (b) Any application for a rehearing made within less than 10  
25    days before the effective date of the order as to which a rehearing  
26    is sought, and not granted within 60 days, may be taken by the  
27    party making the application to be denied, unless the effective date  
28    of the order is extended for the period of the pendency of the  
29    application.

30    (c) *This section shall apply to an application for rehearing filed*  
31    ~~on or before December 31, 2010.~~

32    (d) *This section shall remain in effect only until December 31,*  
33    ~~2012, and as of that date is repealed, unless a later enacted statute,~~  
34    ~~that is enacted before December 31, 2012, deletes or extends that~~  
35    ~~date.~~

36    ~~SEC. 3. Section 1733 is added to the Public Utilities Code, to~~  
37    ~~read:~~

38    1733. (a) Any application for a rehearing made 10 days or  
39    more before the effective date of the order as to which a rehearing  
40    is sought, shall be either granted or denied before the effective

1 *date, or the order shall be suspended until the application is*  
2 *granted or denied.*

3 *(b) Any application for a rehearing made within less than 10*  
4 *days before the effective date of the order as to which a rehearing*  
5 *is sought shall be acted upon within 180 days. The commission,*  
6 *by order, may extend the period for acting upon the application,*  
7 *but any single order shall not extend that period for more than 60*  
8 *days. Notwithstanding any order extending the period to act upon*  
9 *the application, if the commission has not acted upon the*  
10 *application within one year after the date on which the application*  
11 *was filed, the application is denied by operation of law.*

12 *(c) This section shall apply to an application for rehearing filed*  
13 *on or after January 1, 2011.*

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